

and no proof of specific intent to defraud is required.”

(e) CLAIM FOR ITEM OR SERVICE BASED ON INCORRECT CODING OR MEDICALLY UNNECESSARY SERVICES.—Section 1128A(a)(1), as amended by subsection (b), is amended

(1) in subparagraph (A) by striking “claimed,” and inserting

“claimed, including any person who engages in a pattern or practice of presenting or causing to be presented a claim for an item or service that is based on a code that the person knows or should know will result in a greater payment to the person than the code the person knows or should know is applicable to the item or service actually provided.”;

(2) in subparagraph (C), by striking “or” at the end;

(3) in subparagraph (D), by striking the

semicolon and inserting “; or”; and

(4) following new subparagraph:

“(E) is for a pattern of medical or other items or services that a person knows or should know are not medically necessary.”

(f) SANCTIONS AGAINST PRACTITIONERS AND PERSONS FOR FAIL-

URE TO COMPLY WITH STATUTORY OBLIGATIONS.—Section 1156(b)(3)

(42 U.S.C. 1320c-5(b)(3)) is amended by striking “the actual or estimated cost” and inserting “up to \$10,000 for each instance”.

(g) PROCEDURAL PROVISIONS.—Section 1876(0(6) (42 U.S.C. 1395mm(i)(6)), as amended by section 215(a)(2), is amended by

adding at the end the following new subparagraph:

“(D) The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under subparagraph (B)(i) or (C)(i) in the same manner as such provisions apply to a civil money penalty or proceeding under section 1128A(a).”

(h) PROHIBITION AGAINST OFFERING INDUCEMENTS TO INDIVIDUALS ENROLLED UNDER PROGRAMS OR PLANS.—

(1) OFFER OF REMUNERATION.—Section 1128A(a) (42 U.S.C. 1320a-7a(a)), as amended by subsection (b), is amended

(5) by striking “or” at the end of paragraph

(3); (6) by striking the semicolon at the end of

paragraph (4) and inserting “; or”; and

(7) following new

“(5) offers to or transfers remuneration to any individual eligible for benefits under title XVIII of this Act, or under

a State health care program (as defined in section 1128(h) that such person knows or should know is likely to influence such individual to order or receive from a particular provider, practitioner, or supplier any item or service for which payment may be made, in whole or in part, under title XVIII, or a State health care program (as so defined)."

(2) REMUNERATION DEFINED.—Section 1128A(i) (42 U.S.C. 1320a-7a(i)) is amended by adding at the end the following new paragraph:

"(6) The term "remuneration" includes the waiver of coinsurance and deductible amounts (or any part thereof), and transfers of items or services for free or for other than fair market value. The term "remuneration" does not include—

(A) the waiver of coinsurance and deductible amounts by a person, if—